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SERVICE CHIEFS ON DEFENSE MISSION AND PRIORITIES

TASK FORCE ON DEFENSE OF THE COMMITTEE ON THE BUDGET UNITED STATES SENATE

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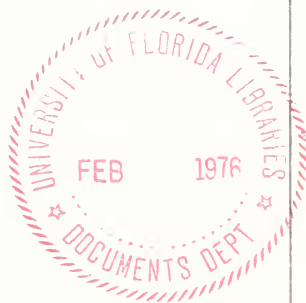


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SERVICE CHIEFS ON DEFENSE MISSION AND PRIORITIES

Navy Planning and Operations

THURSDAY, SEPTEMBER 18, 1975

U.S. SENATE,
TASK FORCE ON DEFENSE,
COMMITTEE ON THE BUDGET,
Washington, D.C.

The task force met at 10 a.m., pursuant to notice, in room 6202, Dirksen Senate Office Building, Hon. Ernest F. Hollings presiding. Present: Senators Hollings, Bellmon, and Buckley.

Staff members present: Michael B. Joy, task force coordinator; Andrew Hamilton, professional staff.

Senator HOLLINGS. The task force will please come to order.

OPENING STATEMENT OF SENATOR HOLLINGS

We welcome this morning the distinguished Chief of Naval Operations, Admiral Holloway, and his colleagues, in commencing the public hearings of the Task Force on Defense of the Budget Committee. Necessarily from time to time we are going to have to get into restricted areas, but for our hearings, in general, we will hold public hearings.

In emphasizing the public nature, I also have to emphasize the character and responsibility of our particular Budget Committee. For example, today we will be voting on pay rates. You wouldn't think the Budget Committee had anything to do with it, but I would presume its position is persuasive on that vote.

BILLS HELD UP

For one, we held up the military procurement bill by a majority vote in the Senate, sending it back because it was \$1.3 billion over. We held up the child school lunch program because it was some \$180 million over. In defense, we have used the pay figure with the other levels of Government of 5 percent rather than the 8.66 percent.

So, for myself, I am with President Ford on it and the Budget Committee's position taken at that pay level. I want to point this out because what we do here, and what we agreed upon back in January and February, affects us way down the line in September. What

happens with the Navy's budget today and tomorrow will affect us not only next year, but 20 years from now. We are trying to get that kind of perspective in testimony from you.

Where are we headed in the Navy?

SIZE OF FLEET

In trying to brief myself, I was looking at the number of warships, the number of amphibious ships, the number of mine warfare ships, the auxiliaries, say, in 1968 and later 1974, 1975 and 1976.

In general terms we have gone from a total of about 976 down to 490 projected for 1976. I look at the type of warships, and then I look at the manpower figures, things that we look at in the Budget Committee.

When you reduce the vessels by some 50 percent, why doesn't manpower come down a similar amount? There could be a very good reason. We should know and understand that reason.

SOVIET NAVAL CAPABILITY—MISSION

We should understand the Soviet capability, what the mission is, since more recently we have had arguments on military procurement on strike cruisers and otherwise, the size of the vessels.

SMALLER VESSELS

Generally, in what direction are we heading? We have your predecessor, Admiral Zumwalt, saying that the Soviet commander, Admiral Gorshkov, is headed in a different direction of smaller vessels. I don't know whether I agree or disagree, but these are the kinds of things that are on our minds.

MISSION

Why are we getting in the electronic missile age and era, larger and larger vessels, let's say, and larger and larger targets in the Mediterranean under the air cover of the Soviet cruise missiles? What is our mission and how do we meet it with respect to personnel, with respect to actual construction?

Years back we used to put primary emphasis on firepower, the gun power, and the seaworthiness of the vessel itself. Now, perhaps, priority one is the electronics and then maybe second, the weaponry.

These are the kinds of things on which the Budget Committee is trying to get in rhythm with the Navy Department so we go down the same road together, and we don't make a last-minute decision on an item in a budget that will cost us \$30 billion down the road.

Some of the other committee members might want to come. We try to carry this on in informal fashion and, more than anything else, we do it in public. We haven't had any restricted hearings.

I have a prepared statement that I have deviated from considerably, so, without objection, I will include the full statement in the record.

[The prepared statement referred to follows:]

PREPARED STATEMENT OF SENATOR ERNEST F. HOLLINGS

NATIONAL DEFENSE PROJECTION

Today we begin a series of hearings on our national defense priorities and budgets. Our objectives in these hearings will be to examine the rationale behind the Administration's projection of national defense budgets for the next 5 years. We will be looking into the policy guidance and planning assumptions which shape our military forces, the force requirements which result, the key manpower management and modernization issues facing the Congress and the Department of Defense in the next 5 years, and the budgetary implications of all this.

NAVY

We begin our hearings today with the Navy, which has the largest budget and is the most capital intensive of our military services. In recent years the size of the active fleet has been reduced by nearly 50 percent, from 976 ships in fiscal 1968 to less than 500 today.

SIZE AND COST

At the same time, the size and cost of new major naval combatant ships under construction has risen dramatically. So has the Navy budget. In 1968—a peak war year—it was \$20.8 billion. For 1976 the requested budget is over \$34 billion.

We are told that this upward trend is likely to continue. The Navy has indicated a desire to increase the size of the fleet from 500 to 600 ships requiring substantial increases in the shipbuilding budget and, eventually, in Navy operating costs.

PLANNING ASSUMPTIONS

In projecting its future budget requirements, the Navy faces questions not only on the size of the fleet, but the kind of fleet to build, bearing in mind that our new warships may be in service into the 21st Century. Should we have 100,000 ton carriers or 50,000 ton carriers? F-14's or F-18's? Or both? What is the future of the carrier, of any size, in the face of the growing guided cruise missile threat? Should our escort ships have nuclear power or conventional power? Should we have new classes of ships for new missions, like the nuclear strike cruiser? What are Navy manpower requirements going to be, and can they be met under the all-volunteer force? Is the ratio of manpower to ships increasing or decreasing, and what are the reasons? What are the opportunities for reducing waste, and inefficiency, so that we get the highest value for our Navy dollars?

All of these questions can best be answered in the context of Navy missions and planning assumptions, and in the light of budgetary limitations.

Today we have with us Admiral James L. Holloway, III, the Chief of Naval Operations, to give us an overview of the Navy: its roles and missions and how the Navy budget is divided among them, how force requirements are established, and what kind of Navy we will need in the remaining years of the century. We will also want him to discuss trends in the Soviet Navy and their impact on U.S. Navy requirements. Admiral Holloway is accompanied by his chief planning, programing and budgetary aides.

We plan to follow up this overview with other hearings devoted to a more detailed review of Navy programs and issues, and their impact on budgets for the next 5 years.

We will also invite the Chiefs of Staff of the other military services to make presentations to the Defense Task Force in the coming weeks.

Senator HOLLINGS. Senator Bellmon, would you like to comment?

OPENING STATEMENT OF SENATOR BELLMON

Senator BELLMON. Thank you, Mr. Chairman.

The only comment I would make is that many of us in Congress are a little confused because we now see an end to Vietnam and we see the beginning of detente with both the Russians and the Chinese. We see now what appears to be at least the beginning of the resolu-

tion of the Middle East problem, and yet the request, perhaps the requirements for the defense budget seem to continually go up and up.

We are confused as to what the reason is. I hope that your testimony before the committee helps us better understand what is developing.

Senator HOLLINGS. Senator Buckley.

OPENING STATEMENT OF SENATOR BUCKLEY

Senator BUCKLEY. Thank you, Mr. Chairman. I am more anxious to hear what the witnesses have to say than to say anything, but I am immediately concerned as to the implications for the Navy of the dramatic growth in the Soviet naval power globally in recent years. I think this could be an extremely illuminating hearing for us as a result of that.

Senator HOLLINGS. Admiral Holloway, would you please proceed?

STATEMENT OF ADM. JAMES L. HOLLOWAY III, U.S. NAVY, CHIEF OF NAVAL OPERATIONS, ACCOMPANIED BY REAR ADM. ALFRED J. WHITTLE, JR., U.S. NAVY, DIRECTOR, GENERAL PLANNING AND PROGRAMING DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS; REAR ADM. STANLEY S. FINE, U.S. NAVY, DIRECTOR OF BUDGETS AND REPORTS, OFFICE OF THE COMPTROLLER OF THE NAVY; REAR ADM. M. STASER HOLCOMB, U.S. NAVY, DIRECTOR, SYSTEMS ANALYSIS DIVISION, OFFICE OF THE CNO; CAPT. NELSON P. JACKSON, U.S. NAVY, HEAD, CONGRESSIONAL AND POLICY COORDINATION BRANCH; AND R. C. GREEN, CONGRESSIONAL AND POLICY COORDINATION BRANCH, OFFICE OF THE CNO

Admiral HOLLOWAY. Thank you very much, Mr. Chairman.

Let me say, first, I am delighted to appear for the first time before this task force. I have no prepared statement, but I would like to open with some brief informal remarks and then make myself and my colleagues available to answer your questions.

In these remarks I would like to provide a background which might assist us in putting the questions in context. I think we would all agree that this country needs a Navy. I think the question is what kind and what size?

SHIP NEEDS

The Navy needs ships, but we need more than just a number of ships. We need capable ships and we need capable ships in the proper balance. That is a balance among types such as carriers, surface combatants, submarine, amphibious ships and support ships, and we also need a balance between those very capable multipurpose ships, which are quite expensive on an individual basis, and the single-purpose smaller ships of limited capability, but which can do a limited job and which are relatively inexpensive and which, therefore, within a fixed budget we can buy more of.

I think that the Navy must be more efficient in relating our requirements to national needs. When I talk about Navy requirements, I look at them in two ways. First, there are requirements in terms of numbers; and, second, requirements in terms of the military characteristics of those weapons systems that we are asking for.

In these few minutes this morning I would like to try to establish an auditable trail between national needs and our requirements in the Navy. I think that our ultimate objective would be able to establish that relationship between national security requirements and budget line items.

NATIONAL STRATEGY

To begin this, I would like to go back to what we perceive as being our national strategy today. We look at it as a forward strategy. That means that our country is overseas-oriented. We have to be. The United States is essentially an island. We have two international borders. Two of our 50 States lie overseas.

We look abroad in a cultural sense, in an economic sense, but in a military sense this forward strategy means that we use the oceans as barriers in defense of this country, and we use the oceans as avenues for extending our influence abroad where so many of our interests are.

This forward strategy requires two things, in my view. First, it requires we have overseas allies; and, second, it requires that we have overseas-deployed U.S. forces to support our allies and to protect our interests on a worldwide basis.

NAVY'S ROLE IN NATIONAL STRATEGY

The Navy's role in this forward strategy is twofold. We do two things. First, the Navy provides components overseas to these deployed forces, such as the 6th Fleet in the Mediterranean and the 7th Fleet in the Pacific; and, second, the Navy is responsible for insuring the integrity of the lines of communication between the United States, the heartland, the lines of communication between the United States and our overseas allies and our forces, not only naval forces but land and air forces deployed overseas.

I think every military man is aware of the fact that the security of our lines of communication is absolutely essential to the success of any military plan.

The functions of the Navy are described in considerable detail in title X, United States Code, but I think I can summarize them very succinctly by saying that we see the Navy's functions again as twofold. First, the Navy must insure the continued ability of the United States to use the seas, the high seas, the free seas as we require in the pursuit of our national policy. The second function of the Navy is to exploit our control of the sea for the projection of power in support of our national interests.

SEA CONTROL

When I talk about sea control, and that is the term that has been used, I think, very loosely in the past and is probably not very well understood. I do not mean that it is the U.S. Navy's intent or objective to be able to control all seven-tenths of the Earth's surface which is

covered by international waters. What I mean is that we need to be capable of fighting and winning any actions required to insure that we are able to use those parts of the high seas required for us to support our national policy, only what we need.

PROJECTION OF POWER

The second function I alluded to is the projection of power. This is an extremely important capability for the Navy because it represents an instrument of national power available to the President in the exercise of his national policy. The Navy is able to project power several ways.

SSBN'S

First is from the fleets' ballistic missile submarine force, the SSBN's, employing Polaris and now the Poseidon, and in the future the Trident missiles. This is the projection of power which would be used, of course, by these ships only in a strategic and nuclear war and a capability which we consider more to be today a strategic deterrent.

We believe that if we are strong in this area, we will never have to use that force.

CARRIER-BASED AIRCRAFT

Our second means of projecting power from sea-based forces is by carrier-based aircraft. Although the carrier's primary mission is to permit us to maintain superiority at sea and prevent the interdiction of sea lines of communication, since World War II the principal employment of our carriers and their aircraft has been in projecting this air power ashore, again in support of the President's objectives.

AMPHIBIOUS FORCES

The third mode of power projection, and the one that is probably the ultimate in a conventional sense is our ability through amphibious forces to put marines ashore against opposed opposition to seize territory. This is as important a capability as, I think, the President can have, because it is very meaningful to be able to seize the territory you need, not only to support naval operations, but as an instrument of naval power and policy.

DEPLOYMENT

With these functions in mind, we must then look at why the Navy is deployed as it is in order to be effective in carrying out these functions. We find the active fleets, the combat-ready units on the other side of the oceans. There are a number of reasons for this.

The first is with the 7th Fleet in the Western Pacific and the 6th Fleet in the Mediterranean and all-nuclear task force of *Nimitz* and *South Carolina* and *Seahorse* operating off Scandinavia, we provide a visible reassurance to our allies of a U.S. military capability which is ready to support them if required.

Second, we provide a visible deterrent to any hostile acts which might be taken against the United States or our allies.

Third, since most of these crises do occur overseas, we have our naval forces on the scene and combat-ready to respond in the shortest possible time to a crisis. I think we are all aware of the fact that a quick

response to a minor crisis in very many cases prevents that crisis from enlarging into a major catastrophe.

SEA LINES OF COMMUNICATION MOST IMPORTANT

Finally, I have pointed out one of the Navy's major responsibilities is protection of the sea lines of communication. The most vulnerable parts are those distant terminal ends. Why? Because those parts of the sea routes that are close to the United States are near our own bases where they can be covered by our own land-based air, whereas the terminal ends are near enemy bases where their threat from their small boats and their short-range land-based air makes protection very difficult.

So the fleets in protecting the sea lines of communication need to be at the vulnerable end.

NEED FOR SHIPS

All of this leads us to the establishment of certain requirements for the U.S. Navy. Why do we need a certain number of ships and why do we need ships of certain types and why do we need them in a balance? When you conceive of our fleets, the 6th Fleet and the 7th Fleet being on the other side of the globe from us, you can draw conclusions as to what the characteristics of those fleets should be.

OVERSEAS FLEETS

First, our overseas fleets must have the offensive capability to defeat any other naval force routinely present in their theater of operations. In other words, the 6th Fleet must be capable of maintaining superiority over the Soviet Mediterranean squadron.

Why? Because unless our fleet in the Mediterranean is capable of winning, it is no longer a positive asset to national policy, but could very well become a hostage.

CAPABILITY AGAINST SURPRISE ATTACK

The second required capability that I see for our deployed fleets is that they must have the defensive strength to beat off a surprise attack from reinforced enemy units. This simply recognizes a military truth that air and naval forces are capable of redeployment in concentration. For example, in the Indian Ocean where routinely we might have a superiority of naval forces, by an enemy deploying more ships or aircraft into the Indian Ocean, that balance of power can be reversed with a sudden attack on our forces, unless we are able to beat it off and use our own mobility to retire to avoid being destroyed by those forces. So we must equip our fleets with this ability to fight their way out of an engagement and disengage so they can resume combat, if necessary, on terms advantageous to ourselves.

ABILITY TO PROJECT POWER

Third, our deployed fleets must have the capability to project power. They must be able to put air power where it can threaten the enemy's infrastructure and destroy his capability to wage war on land. We must be able to put our marines on the beach, because in many cases

this is the only language that those who would take hostile action toward us understand; the reaction to acts of aggression with power on our part.

LOGISTIC INDEPENDENCE

Finally, a fourth characteristic these fleets must have is logistic independence. This means that our ships must be large because they have got to carry quantities of their own fuel, fuel for the aircraft that fly from them, ammunition for them to expend in combat because they are many thousands of miles away from the United States, the main base, and because we cannot always depend upon overseas bases being available to us.

BIG SHIPS NEEDED

We know the experience of the Middle East that in the past four or five crises we have not been able to use our bases in Greece or Turkey. As a matter of fact, since 1958 at the time of the Lebanon landings, we have had to go it with mobile forces. Although the Navy likes to use overseas bases, they are very important to us and they make our operation more efficient; nevertheless, we have got to be prepared to do it without overseas bases.

So we need big ships that can operate at sea for long periods of time far away from home and we must have replenishment ships that can take the bullets and the supplies out to those ships in a combat environment.

BALANCED FORCE

Finally, Mr. Chairman, having talked about requirements in terms of the kind of forces the Navy needs, I would like to touch on how big should the Navy be.

Now I want to reiterate numbers alone are not the answer. A 600-ship Navy could consist of patrol craft and do this country no good at all. We need a balanced force. The size of the Navy and the structure of the Navy, in my view, is determined by three factors.

STRATEGY

The first, what is the strategy that the Navy must support? I have pointed out to you that I believe we are supporting a forward strategy.

THREAT

Second, what is the threat against our ability to carry out that strategy, and I think we have to look at our possible opponents and come to the conclusion that the threat against the Navy's ability to execute its missions and tasks has to be the Soviet Navy and Soviet Maritime Air.

RISK

Finally, and this is the most difficult part of the formula, what degree of risk are we willing to take to see that our Navy can carry out its missions and tasks?

You have heard us talk about a 600-ship Navy. If I can, I will conclude these remarks by describing how this 600 number was deter-

mined, we in the Navy think it was really an orderly process. It starts by taking our Navy today and analyzing its ability to execute our war plans against the potential threat, which is the Soviet Navy.

CAN MEET CURRENT THREAT

I might say that our analyses indicate that we can carry out our missions and tasks against the current threat as we analyze it, but only by a very slim margin of success. There are some areas of the world in which we can't cope with the threat, but in the most important area, which is the Atlantic in the context of a NATO-Warsaw Pact conflict where the resupply of NATO through the Atlantic is absolutely essential to the fulfillment of our goals in that theater, the U.S. Navy can, we believe, maintain the integrity or gain the integrity of our supply lines across the Atlantic.

TEN-YEAR PROJECTION

When we think of what kind of Navy we ought to have in the future, we project our own force levels 10 years ahead. This is based upon the approved programs, both provided to us by the Congress and the 5-year extension provided by the Department of Defense. We also project the Soviet naval force 10 years ahead. We examine the capability of the U.S. Navy during that period to carry out our strategy against the threat of that period.

FIVE-YEAR SHIPBUILDING PROGRAM

In this analysis deficiencies emerge. We address those deficiencies and we attempt to rectify them in putting together a 5-year shipbuilding program. Let's say, for example, beginning with 1976, running through 1980, we will build a 5-year ship construction program which is designed to correct these deficiencies that our analyses 10 years in the future has indicated.

LIMIT OF USEFUL LIFE

Why? Because the ships that we build during this 5-year period will be operational in the fleet 10 years from now. We construct this projection of our future fleet, as I say, taking those ships that we expect to acquire and dropping the ships that are in the fleet today, which will be during this period reaching their limit of useful life.

It is very important that we all understand that in looking at the Navy of the future we begin with exactly what we have in hand today. We are simply not affluent enough to say we are going to retire carriers at the end of 10 years when they have a 30-year useful life. We are going to employ every bit of hardware right out to the maximum.

We are going to use every ally we have in making these plans for our capability in the future.

UPPER BOUNDS OF FUNDING LEVEL

So we build our 5-year ship construction program, and though it is ambitious, it is realistic. We use the upper bounds of what we think

is realistic. We use the upper bounds of what we think is a reasonable funding level from the Department of Defense. It is not an average, it is an upper level. This will give us the best shipbuilding program.

We do not exceed the capacity of the shipbuilding industry in putting together this shipbuilding program. We have, through this method, an ambitious but realistic 5-year program, developed a force for the middle 1980's which amounts to between 580 and 600 ships.

Now, the important aspect of this force for the middle 1980's is the structure, the number of carriers, we have, the number of submarines, the number of cruisers, destroyers, frigates, and support ships, and the amphibious lifts, but it happens when you aggregate all of these units that we want to have in our force structure, the number comes out to be very close to 600. That is the 600-ship Navy, Mr. Chairman, that you have heard reference to, I am sure, very often.

Sir, this completes my comments, and we are available for your questions.

SIX HUNDRED-SHIP NAVY—BREAKDOWN AND NEW CONSTRUCTION

Senator HOLLINGS. Can you give us a general breakdown of the 600-ship Navy development over the next 5 years? What are the new ships to be built in order to reach the 600-ship Navy?

Admiral HOLLOWAY. We will propose to build new carriers to replace carriers that are dropping out of the inventory because of age, but we do not see any significant increase in carrier force levels.

CLASSIFIED

Senator HOLLINGS. Is it classified to say how many carriers, how many cruisers, how many this, how many that?

Admiral HOLLOWAY. Yes, sir. I believe in order to answer it explicitly we would have to go into closed session.

Senator HOLLINGS. Give it as best you can in open session here.

Admiral HOLLOWAY. We will build carriers but the carrier force level will not increase because the carriers we would propose to build would be replacements for those dropping out of the inventory.

Incidentally, two carriers will leave the inventory this year because of old age; the *Oriskany* and the *Hancock*.

CRUISERS

We will build our force of cruisers which are the major surface combatants, the traditional ships around which most navies are constructed, beginning with the *Monitor* over 100 years ago, progressing through battleships and now the "strike" cruiser. That is simply a surface combatant, but we want it to be the best surface combatant in any navy in the world. Therefore we have incorporated in its design those features that will make it a superior fighting ship to those cruisers that other nations might put to sea, nuclear power, advanced electronics, cruise missiles of two ranges, possibly lightweight, 8-inch guns and the best in anti-submarine warfare equipment.

DESTROYERS AND FRIGATES

We will be able during this period to increase our cruiser force level. We will also increase the force level of destroyers and frigates, two classes of ships very important to controlling a hostile submarine effort.

AMPHIBIOUS

We will maintain our amphibious capability at about the same level that it is today but make it much more efficient in that we will be able, in our new amphibious ships, to keep both the troops and their airlift and the amphibious craft that go over the beach, all together and move them at a higher speed in the future.

OILERS AND AMMUNITION SHIPS

Now, the one part of the force that we struggle with, the oilers and the ammunition ships, are not very glamorous. We do have our problems getting them through the Congress each year because they do not represent in themselves a fighting capability.

As I point out, if we are to operate our Navy on the high seas we still need to have a balanced force which includes these support ships.

CARRIERS AND SUBMARINES

In summary, we maintain our carrier force levels about where they are today, and we increase the numbers of surface combatants and we have a modest increase in the number of nuclear attack submarines and, of course, the number of fleet ballistic missile submarines is governed not by the Navy but by the strategic arms limitations talks.

FIVE-YEAR PROGRAM COST

Senator HOLLINGS. Generally, what is the cost of that 5-year program?

Admiral HOLLOWAY. I would like to ask one of my colleagues here to give us the cost, if I may.

Admiral WHITTLE. The cost of the shipbuilding alone, sir?

Senator HOLLINGS. We just want to know the total costs.

This is the Budget Committee. We have a general feel and we have the unclassified figures of the type ships and the construction to be had in the next 5 years. If you give us a total figure with a breakdown into the same classifications that Admiral Holloway described, I think it would be adequate.

Admiral WHITTLE. The total cost of the Navy budget over the 5-year period increases from the order of \$33 billion at a rate of about \$1.5 billion a year for the ship construction costs.

Senator HOLLINGS. That includes the entire construction program for 5 years?

Admiral WHITTLE. Yes, sir.

COST IN STABLE OR INFLATED DOLLARS

Senator BUCKLEY. I would just like some clarification, Admiral. Are we talking about an increase in stable dollars or does this anticipate inflation?

Admiral WHITTLE. That anticipates some inflation.

Senator BUCKLEY. If you were talking in terms of stable purchasing power, what kind of an increase would that be?

Admiral WHITTLE. We have in 1976 about \$4 billion; in 1977 about \$5 billion; in 1978, about \$5½ billion; and in 1979, about \$6 billion; 1980, about \$6½ billion, in stable dollars. That is for ship construction, and those are 1976 dollars.

CAPABILITY OF MEDITERRANEAN FLEET

Senator HOLLINGS. Back to Admiral Holloway, I have about 2 dozen questions left to ask.

You describe our forward strategy and our need for allies. You recognize in your statement that since 1958 in Lebanon we could not depend upon those allies. We had to depend upon mobile forces. I am speaking specifically of the 6th Fleet in the Mediterranean. When you get the ships large enough to be self-supporting, and you have all the vessels around, and you are under air cover, you are saying that the greatest danger to us is way forward. As you described it, our own airpower could cover us in the Atlantic and Pacific to a large measure.

We are under the Soviet umbrella in the Mediterranean. Is that 6th Fleet really able to—as you characterize it—defeat a Soviet Mediterranean squadron, or else it could be a hostage.

How long would the 6th Fleet last in an engagement with the Soviets?

CAPABILITY PRESENTLY ADEQUATE

Admiral HOLLOWAY. With carriers, with the 6th Fleet constituted as it is today with two carriers, a dozen or more surface combatants and the submarines that are associated with it, I consider that the 6th Fleet, in a match against the squadron of Soviet ships that are in the Mediterranean today, would defeat that squadron.

LAND-BASED AIRCOVER

Senator HOLLINGS. You should realize that I am not suggesting that we do away with the 6th Fleet. I think its presence there is supported in other ways. If it were actually engaged in a Soviet battle, are we not just going to be ship for ship? There would be cruise missiles knocking out every one of us. Am I wrong about that?

SURPRISE ATTACK

Admiral HOLLOWAY. Yes, sir, I think you are wrong, because that was the second requirement for a forward deployed fleet that I cited earlier, and that is the ability to defend against a surprise attack of reinforced units, and with Soviet air coming down from the land bases in the Crimea, for example, the 6th Fleet in my view could protect

itself tactically. It would probably retire to a somewhat more favorable position.

MORE FAVORABLE POSITION

Senator HOLLINGS. Where? Outside of the Mediterranean?

Admiral HOLLOWAY. No, sir, remaining in the Mediterranean but taking advantage of geography, retire temporarily to a more favorable position—it is hard to decide exactly how a battle would go—and be able to work its way back into the eastern Mediterranean. This is one point that I will make because it is my conviction that there will be no such thing as a war between the 6th Fleet and the Soviet Mediterranean squadron. There will be a war between the United States and the Soviets, or a war between the Warsaw Pact nations and NATO in which the 6th Fleet will be required to support the southern flank.

It is my conviction that with carriers they can support the southern flank and defeat the forces sent against them in a balanced war on the southern flank.

Without carriers I would say we have absolutely no chance of maintaining any kind of capability in the Mediterranean. The carrier provides the local airpower which permits us to defeat the guided missile attacks both by destroying the launching platforms and by largely destroying guided missiles that are launched against the force.

So although carriers may be a target, the carriers themselves are the ships that permit us to defeat the Soviet threat.

Senator HOLLINGS. Senator Buckley.

Senator BUCKLEY. Thank you, Mr. Chairman.

REFUELING OF MEDITERRANEAN FLEET

I have to go to another hearing but I would like to ask one question. It did not contemplate any action directly between the United States and the Soviet Union, but rather another Middle East crisis, it would seem that the oil embargo is a rather strong instrument and I think it is not too implausible that it could deprive the 6th Fleet of any refueling base in the Mediterranean.

To what extent are we able through our support forces on very short notice to take care of the refueling and resupply needs of the 6th Fleet?

MIDDLE EAST OIL

Admiral HOLLOWAY. We are very capable, Senator Buckley. Although the oil for the 6th Fleet largely comes from Middle East sources, it comes by a very roundabout route in which it occasionally may even be sent to the United States, refined, and then placed in war reserve inventories located in our allies' ports in Europe, in Italy, Greece, and Turkey, for example.

NATO ALLIES

Our problem would be not that the oil would be turned off by the Arabs. I think our problem would be that our NATO allies would not risk offending the Arabs, perhaps by not releasing those stocks to us.

Senator BUCKLEY. That was the contingency to which my question was addressed.

PROBLEMS CAN BE OVERCOME

Admiral HOLLOWAY. Certainly it would be an enormous strain for us but we could do it, particularly since under those circumstances I would envision that we would be engaged only in the eastern Mediterranean and some of the tanker support that would normally be directed toward fleet operations in the Atlantic and on the Atlantic coast would be diverted from there and we would be able to concentrate our forces in support of the fleets in the eastern Mediterranean.

Yes, it would be difficult, but the points I think I have to make constantly is that war at anytime is inherently not good, and conflict makes everything very difficult for us. When we talk about how would we fare in a conflict in the Mediterranean, certainly we are going to take losses. I am talking about in terms of whether we would prevail in the ultimate when I say we would be successful or not successful. It is the same thing with supporting the fleet. Yes, it is my considered judgment that we could, in most circumstances.

Senator BUCKLEY. Thank you very much.

Senator HOLLINGS. Senator Bellmon.

Senator BELLMON. Thank you, Mr. Chairman.

COST EFFECTIVENESS OF CARRIERS AND MILITARY BASES

I have only a couple of questions, Admiral. Has the Navy evaluated the cost effectiveness of using our highly mobile carrier fleet in place of our foreign military bases?

Admiral HOLLOWAY. Senator Bellmon, I think that we have. In fact, we have demonstrated the use of our carriers in the place of military bases, and we have done it very recently because in the three major crises since the end of our involvement in Vietnam, namely the evaluation of Saigon, the evacuation of Phnom Penh, and in our response to the seizure of *Mayaguez*—in every case carriers and not only carrier aviation but carriers, played a major part. As a matter of fact, because of the loss of our bases in those areas and the fact that we were being thrust out of those bases, the carriers made it possible for us to evacuate. During the evacuation of Saigon, as an example, we had four carriers on the scene. Two of the carriers were equipped with tactical aircraft, fighter and attack, to provide local superiority if it had been necessary to use them in combat, which fortunately it was not.

Interestingly enough, the other two carriers had their normal complements of aircraft removed and in the case of one, its aircraft were replaced with Air Force helicopters. In the case of the second carrier its aircraft were replaced with a Marine air group of helicopters which carried out the evacuation.

So, in effect, these carriers not only fulfilled the function of a land base, but permitted us to safely evacuate our people from land bases from which we were being driven out.

Senator BELLMON. This then reduces the seriousness of the possible loss of bases in places like Greece, Portugal, Spain, and Thailand?

Admiral HOLLOWAY. I would say we view the loss of our ability to use bases in Turkey and in Greece with apprehension because it makes

our job more difficult. But at the same time, the loss of the use of those bases in no way means that we are going to be unable to operate in the eastern Mediterranean, and in the same power that we operated there before. We are going to have to commit more support resources to the 6th Fleet, but because we have these mobile air platforms we will continue to be able to operate in those areas.

MAINTAIN INTEGRITY OF ATLANTIC SUPPLY LINES

Senator BELLMON. You mentioned in your testimony that you feel the Navy can maintain the integrity of the Atlantic supply lines. It was not clear to me whether those supply lines covered the petroleum routes from the gulf.

STRONG AND READY ENOUGH FLEET

Admiral HOLLOWAY. I believe that the protection of the supply lines between the Persian Gulf and the United States will largely be effected in the Northern Atlantic. First on the worldwide basis by having a fleet strong enough and ready enough to make it clear to any nation large or small that we will not accept any interference with the availability of that supply of oil, I think we can deter 90 percent of the possibility that some adventurous smaller country would attempt to interdict those supply lines.

Second, in a general war, I would have to say it is not possible to provide a convoy or an escort for every tanker coming out of the Persian Gulf to the United States.

PROTECTION BY BLOCKING

What we would have to do is protect those sea lines in a strategic sense in the case of the war with the Soviets, by blocking the access of the Soviet fleet to that part of the world; accepting losses from those Soviet ships that would happen to be in the Indian Ocean and the South Atlantic when the conflict started, but avoiding those ships as we have an opportunity.

In the long run my answer would have to be that we would take high initial losses but as we were able to block and destroy the Soviet forces which would interdict our sea lines of communication, we would be getting more ships through.

A very significant analogy to this, I think, is the battle of the Atlantic in World War II against the German submarines where we had to accept very severe losses initially before we were able to destroy the platforms that were interdicting our supply lines.

DEVELOP ADEQUATE SUPPLIES OF PETROLEUM

Senator BELLMON. If this country was successful in developing adequate supplies of petroleum from domestic resources, would this reduce the cost to the Navy because we would not then need to worry so much about the delivery of the Persian Gulf oil at our ports?

Admiral HOLLOWAY. I think this would certainly be a factor, Senator Bellmon, but I am not prepared to say how much a factor it would be. For example, *Mayaguez* was not involved in the transport of critical raw materials at all. It was simply an interference with the

U.S. citizens and our privilege to operate freely on the high seas, and we needed to be able to respond to that. But certainly if our overseas interests are reduced for any reason, then I think that the role of the Navy is probably diminished the same way, because, as I pointed out, it is our overseas interests, whether that be maintaining our economy through commerce, whether it is our commitments to our allies, whatever it means, that drives the Navy's function and the Navy's responsibilities.

INVULNERABILITY OF SUBMARINES

Senator BELLMON. Just one additional question. We realize at the present time our *Poseidon* and *Polaris* submarines are a major part of our strategic defense. The Soviets are in the process of developing what appears to be fairly effective antisubmarine warfare methods.

How long does the Navy feel that the *Polaris* and *Poseidon* submarines will remain relatively invulnerable?

Admiral HOLLOWAY. I think a great detailed answer would have to be given in closed session, but I will say this, we foresee *Poseidon* and *Polaris* being able to continue to operate with a high degree of invulnerability throughout their projected lives. The projection life of one of those ships is 20 years, although we may be able to extend *Poseidon* to 25 years. However, I do agree with you that the Soviets are devoting an enormous amount of effort to the antisubmarine warfare problem, and to me that means that those ships with which we replace the *Poseidon* have got to be far superior to the *Poseidon* over the 25 years of their life because Soviet antisubmarine warfare capability, as we extrapolate it, will challenge them.

WILL REMAIN AHEAD

I am personally convinced that we are ahead, and will remain ahead as their capability increases. Our submarine capability, I believe, will stay just ahead of theirs to preserve this relative margin of relative vulnerability into the future. But we certainly have to continue to work on it, and we have to devote an enormous amount of our energy and resources toward continuing to improve the art of submarine warfare.

Senator BELLMON. Thank you.

Senator HOLLINGS. Thank you.

WORLDWIDE DEPLOYMENT—MISSIONS AND BASES INVOLVED

Admiral, on the matter of bases, try to fix in the committee's mind the costs that would increase if you should lose some of your bases. For example, you were talking about how it would put a strain on our resources if we lose our bases in Greece and Turkey. Let's begin by giving the worldwide deployment of the Navy with the missions and the bases involved. I will then ask the question, as to which added costs and what naval forces will have to be considered in your budget in order to take care of that loss.

NORMAL DEPLOYMENT

Admiral HOLLOWAY. Our normal deployment keeps about one-third of our fleet, in terms of ships and aircraft squadrons, forward deployed

in a combat-ready status. We have been able, for long periods of time, to keep 50 percent of the fleet on the other side of the world in a combat-ready status. We did that during periods in Vietnam. Under circumstances of general war, based upon our experience in World War II, we had about 90 percent of the fleet units at sea, and I will use the term "deploy" because they were either in contact with the enemy or could be in contact with the enemy. In wartime, we can afford to go to those high levels of deployed ships because in general war, national survival is at stake. But by keeping 90 percent of the fleet at sea for an extended period of time, we decline rapidly in our capability because the crews wear down and the ships wear out.

THE 7TH FLEET

Our 7th Fleet in the Western Pacific is responsible for maintaining this stabilizing influence in that part of the world. Interestingly enough, I think even Chou En-Lai has said that he would hate to see the 7th Fleet withdrawn from the Western Pacific because it represents the stabilizing influence among all of the powers in that part of the world.

If we were to give up our two most important bases in the Western Pacific, in Japan and in the Philippines, we would find it impossible to maintain the same level of presence in the far Western Pacific without substantial augmentation of the fleet.

MAINTAIN BASES IN PHILIPPINES AND JAPAN

Senator HOLLINGS. So your plans are projected on maintaining the bases at Subic Bay in the Philippines and in Japan for the next 25 years.

Admiral HOLLOWAY. Yes, sir. From the very parochial Navy view, we realize that we can do our job better in maintaining stability in the Western Pacific if we do have those bases than if we do not have them; therefore, we hope to retain them. If we did not retain them, however, I would not say that we would propose to give up our presence and our objective of maintaining stability in the Western Pacific. We would probably go back to Guam, and we would find other ways, probably less efficient and less effective ways, but we nevertheless would make every effort to carry out what we consider a national commitment.

MEDITERRANEAN BASES

Senator HOLLINGS. Now jump over to the other side with respect to what bases, if any, you have in the Mediterranean? Did you say you have been totally mobile since Lebanon in 1958?

NATO BASES

Admiral HOLLOWAY. There are NATO bases in Turkey. We had some bases, and those were logistic bases; that is, they were providing fuel storage and some ammunition storage. We also had bases in Greece, communication stations and airfields that we could use for supporting the fleet. We have NATO bases in Crete and in Italy. I would like to point out that we do not have a naval base in the

Mediterranean and in the same sense that we have a base at Norfolk or even a base at Subic. If a large ship had a collision in the Mediterranean and required drydocking, we would probably take it back to Norfolk. That is the closest major naval base to the Mediterranean. So we do tend to be very mobile in our operations, but instead of sending a tanker or oiler all the way back to Norfolk to pick up a load of fuel, we would prefer to send it to one of the NATO fuel depots in the Mediterranean.

SOVIET BUILDUP IN MEDITERRANEAN

Senator HOLLINGS. When you said that we should be able to prevail in any Soviet naval engagement in the Mediterranean, does that project the Soviet buildup that we are observing there now and for the next 10 to 15 years? Do you think you are keeping pace with the buildup there?

Admiral HOLLOWAY. I don't necessarily foresee a buildup of Soviet capability in the Mediterranean as a theater, and I would not want to project Soviet capabilities on a theater basis.

DECLINE IN TOTAL NUMBERS

Incidentally, Mr. Chairman, may I say that we perceive the Soviet maritime capability in the future as not going up in numbers of ships. We actually would tend to forecast a decline in total numbers, perhaps, in the Soviet Fleet. But we see an increase in total capability in that as they drop the older, smaller, less capable ships from their inventory, they are replacing them with more modern ships in the same category, such as the 9,600-ton *Kara* cruiser which is replacing some of the old World War II cruisers that are dropping out, but we are also seeing new kinds of ships introduced into the Soviet inventory.

For example, last month for the first time the Soviets actually had a carrier at sea, and this was the *Kiev*. We know that they are building a second carrier of the *Kiev* class. The *Kiev* carrier, which they have never had before this year, is about the same size as the *Oriskany* and the *Hancock* which are operational in the U.S. Navy today.

COMPARISON OF UNITED STATES AND SOVIET NAVIES

Senator HOLLINGS. Would you please compare the United States and Soviet Navies by the ship type, tonnage, and the mission. For example, I would like to go right to the *Oriskany* or the *Hancock*, and once we get that comparison, we want to know just why we are going into 91,000 tons from the 40,000 or 50,000 to the 60,000 to 70,000 we previously had. First, can you give us the type of tonnage and the mission of the Soviet Navy, its breakdown?

Admiral HOLLOWAY. Senator, I would like to provide those details for the record, if I could, and give you a general comparison of the capabilities of their cruiser force versus ours, if that would suffice.

Senator HOLLINGS. That would suffice.

[The information referred to follows:]

COMMITTEE ON BUDGET, U.S. SENATE
(DEFENSE TASK FORCE)

SUBJECT OF HEARING NAVY PLANNING AND OPERATIONS

Admiral Holloway: Direct comparisons of U.S. and Soviet ships by tonnage are not always possible since ships with comparable missions are not always of comparable size. The following table gives the displacement tonnage of U.S. and Soviet naval vessels by type and class. Also attached are the general comparison of the missions of Soviet cruiser force versus the U.S. Navy's cruiser and frigate force.

<u>United States</u>	<u>DISPL (KTONS)</u>	<u>USSR</u>	<u>DISPL (KTONS)</u>
<u>Major Combatants</u>			
Aircraft Carriers (CV)			
USS ORISKANY	41	KIEV (CVSG)	40
USS FORRESTAL	78		
USS KITTY HAWK	81		
USS KENNEDY	87		
Aircraft Carriers (CVN)			
USS ENTERPRISE	90		
USS NIMITZ	91.4		
		Helicopter Cruiser (CHG)	
		MOSKVA	[Deleted]

<u>United States</u>	<u>DISPL</u> <u>(KTONS)</u>	<u>USSR</u>	<u>DISPL</u> <u>(KTONS)</u>
Guided Missile Cruisers (CG)			
USS ALBANY	19		
Guided Missile Cruiser (CGN)			
USS LONG BEACH	16		
		Light Cruiser (CL)	
		SVERDLOV	
		CHAPAYEV	[Deleted]
Guided Missile Cruiser (CG/CLG)			
USS LITTLE ROCK	15	SVERDLOV	
		Guided Missile Light Cruiser (CLGM)	
		KYNDA	
		KRESTA I	
		KRESTA II	[Deleted]
		KARA	
Guided Missile Cruiser (CG)			
USS COONTZ	5.8		
USS LEAHY	7.8		
USS BELKNAP	7.9		
		Guided Missile Frigate (DLGM)	
		KASHIN	[Deleted]
Guided Missile Nuclear Cruiser (CGN)			
USS BAINBRIDGE	8.6		

<u>United States</u>	<u>DISPL (KTONS)</u>	<u>USSR</u>	<u>DISPL (KTONS)</u>
Guided Missile Nuclear Cruiser (CGN) (Cont'd)			
USS TRUXTUN	9		
USS CALIFORNIA	10.1		
Destroyer (DD)			
USS GEARING	3.5	KOTLIN	
USS SHERMAN	4.1	SKORYY	
USS SPRUANCE	7.6		
Guided Missile Destroyer (DDG)			
USS ADAMS	4.5	KOTLIN	
USS DECATUR	4.2	KRIVAK	
USS MITSCHER	5.3	KILDIN	
		KRUPNYY	
Frigate/Destroyer Escort (FF/DE)			
USS BRONSTEIN	2.7	KOLA	
USS GARCIA	3.4	MIRKA	
USS KNOX	4.1	PETYA	
		RIGA	
Guided Missile Frigate (FFG)			
USS BROOKE	3.4		
<u>Minor Combatants</u>			
Patrol Gunboat (PG)			
USS ASHEVILLE	.2		
Guided Missile Patrol Boat (PGGM)			
		NANUCHKA	

[Deleted]

[Deleted]

<u>United States</u>	<u>DISPL</u> <u>(KTONS)</u>	<u>USSR</u>	<u>DISPL</u> <u>(KTONS)</u>
		ASW Patrol Boat (PCEP)	
		GRISHA	[Deleted]
		Missile Attack Boat (PTFG)	
		OSA	[Deleted]
Ocean Minesweeper (MSO)			
USS AGILE	.8		
		Fleet Minesweeper (MSF)	
		NATYA	[Deleted]
		Coastal Minesweeper (MSC)	
		ZHENYA	[Deleted]
<u>Submarines</u>			
Attack Submarine (SS)			
USS GUPPY III	2.9	WHISKEY	
USS TANG	2.7	ZULU	
USS SAILFISH	3.2	QUEBEC	
USS DARTER	2.7	ROMEO	
USS BARBEL	2.7	FOXTROT	[Deleted]
		BRAVO	
		TANGO	
Attack Submarines (SSN)			
USS NAUTILUS	4	NOVEMBER	
USS SKATE	2.9	ECHO-I	
USS SKIPJACK	3.5	VICTOR	
USS PERMIT	4.3	ALFA	

<u>United States</u>	<u>DISPL (KTONS)</u>	<u>USSR</u>	<u>DISPL (KTONS)</u>
Attack Submarines (SSN) Cont'd			
USS TULLIBEE	2.6		
USS STURGEON	4.6		
USS NARWHAL	5.4		
Guided Missile Submarine (SSG)			
		WHISKEY	[Deleted]
		JULIETT	
Guided Missile Submarine (SSGN)			
		ECHO-I	[Deleted]
		ECHO-II	
		CHARLIE	
		PAPA	
Ballistic Missile Submarine (SSB)			
		GOLF	[Deleted]
Ballistic Missile Submarine (SSBN)			
USS GEORGE WASHINGTON	6.7	HOTEL	[Deleted]
USS ETHAN ALLEN	7.9	YANKEE	
USS LAFAYETTE	8.3	DELTA	
<u>Amphibious</u>			
Amphibious Command Ship (LCC)			
USS BLUE RIDGE	17		
Amphibious Cargo Ship (LKA)			
USS TULARE	17		
USS CHARLESTON	21		

<u>United States</u>	<u>DISPL (KTONS)</u>	<u>USSR</u>	<u>DISPL (KTONS)</u>
Amphibious Transport (LPA)			
USS PAUL REVERE	17		
Amphibious Transport Dock (LPD)			
USS RALEIGH	14		
USS AUSTIN	17		
Dock Landing Ship (LSD)			
USS THOMASTON	11		
USS ANCHORAGE	14		
Amphibious Assault Ship (LPH)			
USS IWO JIMA	18		
Tank Landing Ship (LST)		ROPUCHA	[Deleted]
USS NEWPORT	9.3	ALLIGATOR	
		Medium Landing Ship (LSM)	
		POLNOCNY	[Deleted]
		MP-8	
		MP-4	
<u>Underway Replenishment</u>			
Ammunition Ship (AE)			
USS SURIBACHI	18		
USS KILAUEA	21		
Stores Ship (AF)			
USS DENEbola	12		
USS RIGEL	16		

<u>United States</u>	<u>DISPL</u> <u>(KTONS)</u>	<u>USSR</u>	<u>DISPL</u> <u>(KTONS)</u>
<u>Underway Replenishment</u> (Cont'd)			
Combat Stores Ship (AFS)			
USS MARS	17		
Oiler (AO)			
USS ASHTABULA	36	UDA	
USS MISPELLION	35	KAZBEK	
USS NEOSHO	39	ALTAY	
Fast Combat Support Ship (AOE)			
USS SACRAMENTO	54	CHILIKIN	
Replenishment Oiler (AOR)			
USS WICHITA	38		

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U.S. NAVY

PRESENT SHIP MISSIONS

CG/CGN (GUIDED MISSILE CRUISER)	DDG (DESTROYER) (GUIDED MISSILE DESTROYER)	To operate offensively, independently, or with strike antisubmarine, or amphibious forces against air, surface, and submarine threats.	To operate offensively with strike forces, with hunter/killer groups, in support of amphibious assault operations, and to screen support forces and convoys against submarine, air, and surface threats.
FF (FRIGATE)	FFG (GUIDED MISSILE FRIGATE)	To screen support forces and convoys and to operate offensively against submarines.	To provide self defense and effectively supplement planned and existing activities in the protection of unit/way replenishment groups, amphibious forces, and military and mercantile shipping against sub-surface, air and surface threats; and to conduct ASW operations in conjunction with other sea control forces tasked to ensure our use of essential sea lines of communication.
PIM	PATROL HYDROFOIL (GUIDED MISSILE)	To operate offensively against major surface combatants and other surface craft. To conduct surveillance, screening and special operations.	

SOVIET NAVY
PRESENT SHIP MISSIONS

KIEV CVSG	MOSKVA CHG	KARA CLCM	KRESTA-II CLCM
[Deleted]	[Deleted]	[Deleted]	[Deleted]
KRESTA I CLCM	KYNDIA CLCM	SVERDLOV CLG	SVERDLOV CLCP
[Deleted]	[Deleted]	[Deleted]	[Deleted]
SVERDLOV CL	CHAPAYEV CL		
[Deleted]	[Deleted]		

AIRCRAFT CARRIERS

Senator HOLLINGS. Getting to those aircraft carriers, can we afford them from a budget standpoint? If we are going to be comparably competitive and be able to prevail, is it necessary for us to continue with 91,000-ton aircraft carriers? Especially in comparison with the 40,000-ton aircraft carrier?

Admiral HOLLOWAY. Mr. Chairman, I would like not to pin down the tonnage of any future aircraft carriers we have in the future but would like to put it this way. If the U.S. Navy does not maintain a capable carrier force, I predict that we are guaranteed to take a second place to the Soviets.

CRUISER FORCES

My rationale is this. If we examine our two cruiser forces, we find that we are essentially numerically equivalent. In the question of destroyers, we have a few more, but there is not a significant difference capability when we combine destroyers and frigates.

Baliistic missile submarines I will set aside because those numbers are determined through the Strategic Arms Limitations Talks.

AMPHIBIOUS FORCES

In the case of our naval amphibious forces, they have many more ships than we have, but we have more capable and better amphibious ships. We can move more troops, and we can move them longer distances. They can move about half as many troops shorter distances. Probably in terms of man-miles, we tend to be essentially equivalent.

SUBMARINES

When it comes to attack submarines, the Soviets are vastly superior to us in force levels. On the other hand, with our 15 carriers today and 13 projected into the future, and then with 3 carriers that we know the Soviets are building, projected into the future, we are superior in carrier force level.

Therefore, it is my contention that with the Soviets essentially equal to the United States Navy in numbers of surface combatants and superior to our Navy in numbers of submarines, if we are to give up our lead in carriers, which is the backbone of the United States Navy, we simply abrogate our position of being superior to them. In other words, we pull ourselves down to their level.

SOVIETS LEARNING CARRIER OPERATIONS

Now the reason they are not building 90,000 ton displacement *Nimitz* class carriers is because they are still learning carrier operations. They started with the *Moskva* class; they built two of those. They are still operating them effectively. Now with the *Kiev* class they have done in about 5 or 6 years what the U.S. Navy and the British Navy and the Japanese took about 30 years to do. So their curve of learning in carrier warfare is going up at a very steep angle.

MUST BUILD CAPABLE CARRIERS

I believe that if we are to demonstrate our determination to maintain this country in a position of maritime superiority we must continue to build capable carriers. Mr. Chairman, that does not necessarily mean that we continue to build *Nimitz* size carriers. We recognize that these are big, expensive ships, and we are trying to explore ways of getting air power at sea to be just as effective but perhaps in a less expensive way. But I will say there is no point in putting to sea a ship or an aircraft which on a unit basis is inferior to the ship or aircraft it is going to fight, because you are throwing your money away by betting on a losing horse.

LARGER SOVIET SHIPS

Senator HOLLINGS. So in the changes in the size and tonnage of those Soviet naval forces, you don't see any trend. Using your analyses, supposing they built two or three large carriers. Would we immediately be in trouble? What would we have to do then?

NO IMMEDIATE DANGER

Admiral HOLLOWAY. No, sir, we would not immediately be in trouble. It would give them, perhaps, a capability which they do not have now and that is namely the capability for their ships to operate effectively beyond the range of their own land based air against a force which has its own organic air power. I think that we saw the Soviets turn back at the time of the Cuban missile crisis because their forces got beyond the range of their land-based air support.

ONLY INTERDICTING FORCE

Now by building several carriers they then have the beginnings of a capability to put a task force at sea with its own organic tactical aircraft, and in selected areas of the world then they will find themselves in a position where they can compete perhaps with the United States with those forces we have deployed in that area. But certainly on a worldwide navy-to-navy basis, until they are able to get airpower to sea in the same dimensions that we are able to do it with our carrier force, they don't constitute a worldwide maritime threat in the same way that our own capability is represented, that is the ability to gain and maintain control of the seas. They are essentially an interdicting force.

RISKS OF 500- VERSUS 600-SHIP NAVY

Senator HOLLINGS. What are the risks that we would run if we maintained the 500-ship Navy rather than expanding, as you testified to, to the 600-ship Navy?

RISKS OUTLINED

Admiral HOLLOWAY. Our analysis indicates that today with a 500-ship Navy with the threat that we face, and taking into consideration the contribution that our allies would make in the case of a NATO-

Warsaw Pact conflict, also examining our capabilities in a unilateral conflict, our analyses indicate that we would prevail in most cases. I say most cases because a conflict between the United States and the Soviets could take place in many contexts and many different scenarios. In the majority of scenarios, I believe, the Navy could accomplish its mission, although with a very small margin of probable success. Some elements of a scenario such as surprise, bad luck, things of that nature, could tip the balance in the favor of the Soviets. So we are on a relatively thin margin today as far as risk is concerned.

Now if you project into the future several things can happen. If we maintain our own force capability constant and the Soviets improve their capability, very definitely the balance of power is going to shift in their favor. or, if they maintain their capability constant and we decrease in our capability, again the balance of power is going to shift in favor of the Soviets.

Now the risk I think you have to look at in two ways. In the case of our major concern of the battle of the Atlantic, in order to win the battle of the Atlantic, it is going to mean the redeployment of virtually the entire fleet to that theater. So the risk is we could very well in winning the battle of the Atlantic, lose in other theaters.

The second risk is in fighting the battle of the Atlantic if there is this shift in the maritime balance of power, we could lose that battle, too. So the reason for our projected force in the mid-1980's is to maintain this margin of superiority over the force that we see the Soviets having during that same period.

TWO-OCEAN NAVY AND PANAMA CANAL

Senator HOLLINGS. You are talking about that two-ocean Navy or forward based Navy. Is the Panama Canal fundamental to our Navy and its mission?

CANAL ESSENTIAL DEFENSE ASSET

Admiral HOLLOWAY. Yes, sir. We do feel in the Navy that the Panama Canal is an essential defense asset, and our ability to use the canal into the foreseeable future in the deployment of naval forces should be safeguarded.

Senator HOLLINGS. Let's say you lost it, what would happen?

Admiral HOLLOWAY. If we lost the ability to use the Panama Canal we would have to redeploy ships between the Atlantic fleet and the Pacific fleet by either sending them around the tip of South America or through the Indian Ocean and around the tip of Africa.

HOW MUCH USE OF CANAL?

Senator HOLLINGS. How much of that redeployment occurs during the year?

NEED OUTLINED

Admiral HOLLOWAY. Normally, in steady state operations such as we are enjoying today there are probably not more than 3 to 5 percent of the fleet—I will reduce it from that—1 to 2 percent of the fleet is transiting the Panama Canal. During Vietnam, however, we redeployed major parts of the Atlantic fleet to Southeast Asia in order to support our efforts out there.

I would point out, for example, that six carriers assigned to the Atlantic fleet were deployed at least once to Vietnam in the Pacific. Now the carriers could not go through the canal, and they did have to transit through the Indian Ocean and one of them returned around. But with the smaller ships, the destroyers and logistic support ships, there was quite a flow of those ships through the Panama Canal during the Vietnamese conflict.

In the case of a war in the Atlantic theater, I think that one would simply have to make the assumption that major components of the Pacific fleet would have to move to the Atlantic. Except for the carriers, that force we would prefer to send through the Panama Canal.

VOLUNTEER NAVY FORCE

Senator HOLLINGS. As to the voluntary naval force, what has been the impact on the Navy of the all-volunteer force?

PROGRAM SUCCESSFUL

Admiral HOLLOWAY. We certainly had our problems during the first year of our experience in recruiting, because it was a new experience for us after the many years of the draft-driven volunteer system.

However, if we look at the last fiscal year which ended in July 1975, we find our experience has been a good one. We met 100 percent of our quota for regular personnel and about 99.6 of our quota of reserves.

More than that, the quality was very high. We achieved about 75 percent high school graduates. An even higher number of our recruits were people who we refer to as being school-eligible. That is, we can send them to technical schools where they pick up the necessary skills required to maintain the modern Navy. So about four out of five of all the recruits we brought in had the intellectual capacity to go to this advanced schooling.

I must say, Mr. Chairman, we don't delude ourselves that this was not helped to a large extent by the economic condition that existed in this country. I have consulted with my recruiting people and we agree that we could be in for some hard times in the future, but we are facing it with realism and with a determination to do everything we can to continue to bring the proper number of high quality people into the Navy, people who have the motivation to stay on and make the Navy a career.

FIVE-YEAR MANPOWER INCREASE

Senator HOLLINGS. I think you do project an increase in naval manpower during the next 5 years, is that correct?

Admiral HOLLOWAY. Yes, sir, we do.

Senator HOLLINGS. How do you explain that to the committee when you have been reducing the size of the Navy? Is that because you are going from 490 to 600 ships? Does it concern that?

LARGE SHIP REQUIREMENT

Admiral HOLLOWAY. Yes, sir, that does affect the manpower needs. There will be a net increase in our manpower requirements based on planned new ship acquisitions and deactivations. Some classes of new ships with expanded capabilities, such as the nuclear carriers, will require higher manning levels than ships being replaced. Other ship

classes, such as the gas turbinized propelled Spruance (DD-963) class destroyers will require less personnel than the conventionally powered World War II class destroyer.

I might answer a question that you asked at the beginning of these hearings, Mr. Chairman, that why is it that even though force levels have come down we still don't see a large reduction in the fleet manning. The reason for that is that as we reduce the numbers of ships we generally drop off those that are the least capable and those would be the smaller destroyers, the old World War II destroyer escorts that would not be effective in today's combat environment. The ships that we replace and we hold on to are ships like carriers and cruisers and frigates which represent the real strength of the Navy.

SIX HUNDRED-SHIP NAVY—COST AND MANPOWER

Senator HOLLINGS. How many more men are required for a 600-ship Navy and how much extra cost is involved?

Admiral HOLLOWAY. Mr. Chairman, I can't give you that figure right off. I would like to supply it for the record, if I might.

Senator HOLLINGS. I think that it was stated in testimony before the Armed Services Committee in April that it would be approximately 60,000 men.

Admiral HOLCOMB. In that testimony before the Subcommittee on Manpower, the question came differently than yours. Compared to what we have requested in the fiscal 1976 budget for manpower what would the 600-ship Navy require for manning in the mid-1980's and that number was 60,000 people total difference, related to the difference, the 1976 submission and the 1985 achievements of a 600-ship Navy.

Senator HOLLINGS. Do you have a different figure now?

Admiral HOLCOMB. No, sir. That number is still a valid number.

Senator HOLLINGS. The 60,000 additional men would cost approximately how much now?

Admiral WHITTLE. About \$670 million per year.

FLEET AIR DEFENSE—5-YEAR COST

Senator HOLLINGS. How much does the Navy plan to spend in the next 5 years for fleet air defense?

NOT UNIQUE

Admiral HOLLOWAY. Mr. Chairman, I can't break out fleet air defense as a discrete function because I don't look at fleet air defense as being unique. The F-14 aircraft with the Phoenix missile system, which contributes largely to the defense of fleet units, also has an offensive mission which is to destroy enemy aircraft and missiles which they might encounter in gaining local air superiority. So that we would have to divide the cost of the F-14 and the Phoenix missile.

AIR AND SURFACE DEFENSE

Further, the defense of the fleet against surface targets or against surface threats is largely carried out by strike aircraft and surface combatants which also have a primary mission which is offensively oriented. As you may know, the strike cruiser, and let me refer to it

simply as our cruiser force of the future, is having its orientation redirected to a more offensive role.

In the past we didn't have a major surface threat to the fleet, and as a consequence we employed our frigates and destroyers for what might be referred to as fleet air defense.

DEFENSIVE TO OFFENSIVE

Now, since the number of carriers has been reduced from about 26 to 13, we are relying more on surface combatants to carry out a more offensive role for the Navy. Therefore, the shift in mission of our surface combatants which previously had been largely a defensive one has moved to a primarily offensive role. So we are in the process of shifting our strategy and our thinking, and I could provide some more information for the record but I am not able to discretely pull out just what those costs are.

Senator HOLLINGS. Are you able to pull out the costs for offensive national capability during the next 5 years?

Admiral HOLLOWAY. No, sir, I cannot; I think we run into a problem of trying to define what is offensive and defensive.

ANTISUBMARINE COST—NEXT 5 YEARS

Senator HOLLINGS. How about antisubmarine protection of our naval forces during the next 5 years?

Admiral HOLLOWAY. Yes, sir, I can provide that.

[The following was subsequently supplied for the record as follows:]

Admiral Holloway: Our antisubmarine warfare efforts are directed towards destroying enemy submarines in an offensive sense, not just towards protection of our naval forces. However, any attempt to estimate the programming for these efforts involves some assumptions since many items only indirectly support ASW platforms. Many platforms are themselves multi-purpose. In the MPN and O&MN appropriations particularly, multi-purpose ships and overhead costs such as base support make it impossible to account fully and accurately for ASW costs. This is because of the inability of the accounting and programming systems to make a precise allocation of costs for personnel, basic training, ships' fuel, etc., on a strictly ASW or non-ASW basis. Nonetheless, a reasonable approximation of our total ASW investment in the Five Year Defense Plan is as follows:

(Dollars in Billions)

<u>FY-76</u>	<u>FY-77</u>	<u>FY-78</u>	<u>FY-79</u>	<u>FY-80</u>	<u>FY-81</u>
6.000	1.525	6.250			

[Deleted]

TOTAL 5-YEAR BUDGET FIGURES

Senator HOLLINGS. Senator Buckley gave the budget figures for the next 5 years. Will you give these figures again for the next 5 years?

Admiral HOLLOWAY. Yes, sir. I think we gave only the shipbuilding and construction Navy accounting figures, and I was not sure whether you wanted those or the total Navy budget figure.

Senator HOLLINGS. I wanted the total Navy—both.

Admiral WHITTLE. The SCN authorization request is about \$4 billion in 1976. These are in 1976 constant dollars. The shipbuilding and conversion, Navy 1977 is about \$5 billion; 1978 is about \$5.5 billion; 1979 is about \$6 billion; and 1980 is about \$6.5 billion.

Now I can't readily translate those into escalated dollars. There are different escalation rates used in different years. We can furnish for the record the total obligational authority (TOA) associated with those numbers.

[The following was subsequently supplied for the record as follows:]

TOTAL OBLIGATION AUTHORITY

Admiral Whittle. The Navy TOA for the program years is as follows

(\$ in millions):

FY 77	\$36,138
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[Deleted]

COMPARISON OF F-14 AND F-18

Senator HOLLINGS. You know there were some adjustments in the Department of Defense with respect to inflation. We are just all trying to get on the same basic level.

With respect, then, Admiral Holloway, to the F-14 and F-18, can you give the committee a comparison of the capability, the mission, and the cost of them, in your opinion?

BACKGROUND HISTORY

Admiral HOLLOWAY. Yes, sir. I would like to start with a little history to provide the background.

It was the Navy's original intention that we have two F-14 fighter squadrons aboard every carrier to be our principal fighter interceptor aircraft. This would have required 24 F-14 squadrons. A decision was made by the Secretary of Defense to limit the Department of the Navy, and that includes the Marine Corps, to a total of 18 F-14 squadrons. This left six squadrons of fighters to be provided.

YF-16 OR YF-17 DERIVATIVE

The Navy proposed a VFAX which would be a fighter bomber and would be able to replace some of the present F-4 aircraft, and at the same time give us a dividend in that they would be a capable attack

aircraft. We were proceeding with the VFAX program when the Congress directed that the Navy utilize the technology of the Air Force's air combat fighter competition to produce a naval air combat fighter. This meant that the Navy would look to a derivative of either the YF-16 or the YF-17.

The reason we had to have a derivative was that neither of those aircraft could operate from carriers.

F-18 IS DERIVATIVE OF YF-17

The competition was held and the winner of the competition as far as the Navy is concerned was the derivative of the YF-17, which we refer to as the F-18. This aircraft has our enthusiastic support. We recognize the fact that we are looking to the future with constrained budgets.

We are asked, "Well, if you had your choice and money was no object, which would you pick?" I immediately dismissed that kind of question, because I think it is simply unrealistic.

SIX F-18 AND EIGHTEEN F-14 SQUADRONS

We are not living in that kind of a world where money does not count. Our plan would be to procure F-18's to replace all of those F-4's which will not be replaced by F-14's. So that we will have a fighter force of 18 F-14 squadrons and 6 F-18 squadrons.

F-18 FORESEEN AS A-7 REPLACEMENT

Additionally, the F-18's looked so promising to us as an airframe engine combination that we foresee it as a replacement for the A-7 aircraft. We will need a replacement for the A-7 in the decade of the 1980's because that plane simply lacks the agility, that is the speed and maneuverability to survive in the battlefield environment we foresee during that period. This is a fairly normal situation. We had the A-1, the Skyraider, for example, during the early days in Vietnam. It outlived its usefulness because of its vulnerability and toward the end of Vietnam we even saw the A-4 Skyhawk becoming highly vulnerable because it lacks the mobility to get in and deliver the weapons and safely retire.

HIGHLY MANEUVERABLE AIRCRAFT

That means that the F-18 will complement the F-14 in the fighter role and those fighter squadrons. Although the individual aircraft will not be as capable as the F-14 in terms of all-weather intercepts at long ranges, it will still be a very highly maneuverable aircraft and capable of all-weather fighting.

STRIKE AIRCRAFT CAPABILITY

It has an additional dividend in that it can also double in the attack role. The tactical commander, should the situation require, can use his F-18's as strike aircraft by putting weapons aboard them and using them in the air-to-ground role which very much improves the

total capability of our force in that we have a flexible group of aircraft that can go either direction.

SPEED AND MANEUVERABILITY

Senator HOLLINGS. On that score, I don't want to interrupt, but you are a Navy air pilot. Are we going to have the dogfights that Eddie Rickenbacker had in World War I?

Somebody said that that is out now and they will be intercepting each other miles away with radar. Is that wrong? Do we still have dogfights in the Mideast and more recent wars?

When you are talking about speed and maneuverability, is that desirable still? Are those the kind of battles we will fight?

Admiral HOLLOWAY. Yes, sir, that is desirable still.

F-14 ALSO DESIGNED FOR CLOSE COMBAT

Let's take the F-14. We even designed into the F-14 the capability to dogfight and conduct combat in close, the reason being this. The primary system of the F-14 is designed to shoot down enemy air targets at some considerable distance away beginning 50 to 60 miles from the F-14. But we must understand that the enemy doesn't always fight the war the way we would like him to fight it. We might be in a situation, as we were in Vietnam, where enemy fighters can lurk close to the ground undetected by our long-range radar capability and pop up in the immediate vicinity of our F-14 fighters.

EXERCISE TECHNOLOGY IN RADARS AND MISSILES PREFERRED

We must look to the future when there may be vertical takeoff and landing fighters that could become airborne inside the minimum ranges of the Phoenix. We can't say if we don't shoot them down at 40 miles, they get a free ride. That is the reason the F-14 had the variable sweep wing to be a dogfighter itself. We would prefer to exercise our superior technology in radars and missiles and knock down the enemy's planes before he could even get within missile or gun range.

MANEUVERABILITY VERY IMPORTANT

At the same time we need the redundancy as we need in every military system so we can still fight and win if he somehow gets through that long-range missile screen. So maneuverability remains very important in my view into the foreseeable future.

WEAPONRY AND COSTS OF F-18'S

Senator HOLLINGS. Go ahead and complete the analogy that you were making and. I would like then to get into the costs and the weaponry involved.

NAVY PLANS TO PROCURE ABOUT 800 F-18'S

Admiral HOLLOWAY. We would foresee, going through the decade of the 1980's, the Navy's plan would be to procure about 800 F-18's. About 400 of these would fulfill fighter requirements for the Navy and the Marine Corps. As you are aware, the Commandant of the

Marine Corps has elected to go with an all F-18 force. He feels that the F-14 will be difficult for his people to maintain in the field because of the complexity of its Phoenix missile system and radar. So there will be about 400 F-18's in the Navy and Marine Corps replacing the F-4's.

SLEP PROGRAM

Now, just to maintain the F-4's until they can be replaced by F-18's we are going to have to go into a major program called SLEP, service life extension program, to keep enough F-4's in the Navy and Marine Corps to fill our squadrons. We have to extend their service life.

Additionally, we anticipate about 400 F-18's to replace those A-7's that will be falling out of the inventory during the 1980's.

GOOD FIGHTER AND ATTACK AIRCRAFT

So what we would have preferred, initially, was to build one aircraft, the F-18, which was just as good a fighter as it was an attack aircraft. That is an ideal approach. However, it appeared we would pay a penalty for that.

TOO EXPENSIVE

It would give us enormous flexibility, but it became apparent that it would be very expensive to have our attack aircraft carrying around radar intercept equipment largely required by fighters, and vice versa, fighter aircraft with forward looking infrared trackers and with the guidance systems for precision.

TWO MODELS OF F-18'S

So we decided we would divide the F-18's into two models. One, we would call the F-18A and it would have a major in the fighter role and a minor in the attack role.

The F-18B—and I use these A's and B's as illustrative now—would have a major in attack capability and a lesser air-to-air combat capability.

This would be of great benefit to us on our carrier decks because instead of having two entirely different kinds of aircraft for these two missions, as we have today, for example, in the F-4 and the A-7, we would replace them with a single engine/airframe combination with a very high degree of commonality. The peripheral weapons equipment would be either fighter equipment or attack equipment.

COSTS OF F-18

Now the costs of the F-18 unit flyaway is \$5.8 million per aircraft in constant fiscal year 1975 dollars.

F-14, AND F-18—20-YEAR COSTS

Senator HOLLINGS. When you talk about flyaway, that includes research and development? That doesn't account for the maintenance for it, or the operation of it, or for the financing for it over 20 years does it? Now give us all of those for the F-14 and F-18 because there

is some contention that you are getting a heck of a lot less plane for practically the same amounts of money over the next 20 years. I would like your comments on that.

COMPARISONS

Admiral HOLLOWAY. Let us take a look at the Navy program of 800 aircraft, specifically an 800 F-18 buy in constant fiscal year 1975 dollars and the unit program cost, which takes in the research and development; all the costs on that F-18 is \$9.6 million per unit. I compare that to the F-14 comparable figure for an 800 F-14 buy, and the F-14 cost is \$15 million. As we drop to unit procurement costs, which eliminates the development costs, the comparisons are \$7.9 million for the F-18 to a comparable \$13.4 for the F-14.

INCREASE IN F-14 COSTS

Senator HOLLINGS. We just read in the New York Times that the cost of the F-14 had gone to \$20 million a unit now. How do you explain that?

Admiral HOLLOWAY. That figure that was given would be, I believe, in then-year dollars. It is true that we are seeing an increase in costs in the F-14, and it is because the business base of Grumman has shrunk and more overhead is being applied to the aircraft which the Navy is procuring.

UNIT COSTS—20 YEARS

Senator HOLLINGS. Does your F-18 figure include the same costs as for the F-14? Over the 20-year period there is some interest costs to the Government. I know you are giving a candid and straight answer, but sometimes we hear "Oh, no, when the admiral said that he didn't include over the 20 years what it will cost the Government to finance it," and so on.

At the end of the 20 years would you look at the unit costs on this particular 800 plane buy? Are these figures still valid, \$9.6 million to \$15 million?

TRUTHFUL AND REALISTIC COMPARISON

Admiral HOLLOWAY. To the best of my knowledge, they are, Mr. Chairman. These particular figures were developed in order to show as truthful and realistic comparison between the F-18 and the F-14 as we could make. As you know, there are many different ways of looking at these, and we establish certain ground rules for comparability. If I could, I would put into the record the basis on which these figures were developed.

Senator HOLLINGS. I would appreciate it.

[The information referred to follows:]

F-14, F-18 COST COMPARISON

Admiral Holloway. TABLE A compares development and procurement costs of an 800 F-14A aircraft program and a comparable 800 F-18 (plus R&D) aircraft program in constant FY-75\$.

Admiral HOLLOWAY. They are for the same numbers of aircraft being procured and they are of constant fiscal year 1975 dollars in the same time frame.

F-18 SUPPORT COSTS

Senator HOLLINGS. And the same life cycle costs?

Admiral HOLLOWAY. These do not contain life cycle costs because life cycle costs do not necessarily involve procurement dollars. They will involve manpower dollars and O. & M. dollars and in that sense the F-18 is much more attractive to us because it requires many fewer maintenance personnel in the squadron which reduces the manpower dollars to support it, and also fewer O. & M. dollars because it is a smaller, more simple aircraft than the F-14.

As for support costs for the F-18, if you will permit me, I would like to furnish that for the record, if I could, Mr. Chairman, because I think there is a dramatic difference in the cost to operate and support the F-18 as compared to the F-14.

[The information referred to follows:]

Admiral HOLLOWAY. The annual operating and support costs of the F-14 and F-18 are as follows (July 1974 Navy Resources Model) :

<i>Operating and support costs per operating aircraft per year</i>		<i>Millions</i>
F-14	-----	\$1.4
F-18	-----	.87

F-14—FAVORABLE OFF SMALL CARRIERS

Senator HOLLINGS. Favorable, of course, to the F-14.

Can it operate over the 50,000 ton carrier, the mini carrier?

Admiral HOLLOWAY. I would have to say we don't have a design of a 50,000 ton carrier. This is a conceptual goal that has been discussed by the Secretary of Defense and myself. I would say that the F-14 can operate off of very small carriers because it has a very favorable set of carrier landing and launching characteristics. Its approach speed is relatively slow.

CARRIER DESIGN

In designing any carrier for the future it would be my position that it would be imprudent to the point of being irresponsible if we designed a carrier that could not handle the aircraft we have in the inventory.

HANDLE BOTH

Senator HOLLINGS. So it would have to handle both the F-14 or F-18. That is not a factor in making the judgment?

Admiral HOLLOWAY. No, sir, it isn't at all.

NO DIFFERENTIATION

Let me say this. When I compare the F-14 and F-18 and make this favorable comparison costwise, I still have to go back to the point that the F-14 is a far superior interceptor than the F-18, but then we are paying more money for it. But when it comes to their ability to operate off certain classes of ships I see no differentiation between the two.

F-18 SUPERIOR TO F-14?

Senator HOLLINGS. I have heard the comparison, but is the F-18 superior to the F-14?

NOT SUPERIOR

Admiral HOLLOWAY. No, sir, it is not superior to the F-14.

F-14 SUPERIOR TO F-18?

Senator HOLLINGS. Is the F-14 superior to the F-18?

SUPERIOR AS A FIGHTER INTERCEPTOR

Admiral HOLLOWAY. Yes, sir. It is superior to the F-18 as a fighter interceptor. But if we take the Navy's plan of a mixed F-14/F-18 force, you can say that for the same capability this mixed force is less expensive than an all F-14 force, or if you take the same number of dollars we have a greater capability in the mixed F-14/F-18 force.

EFFECTS OF BUDGET CUT

Senator HOLLINGS. I know you are pressed for time. This has been a tremendous help this morning.

You talked for a moment about how the Secretary of Defense cut you back. I think you said it was from 24 squadrons to 18 squadrons. The Armed Services Committee and the Defense Appropriations Subcommittee, chaired by Senator McClellan, have both cut back the Pentagon budget \$5 billion—5 percent to 10 percent.

Realistically how could you cut your budget? How could you economize 5 percent or 10 percent? What would you eliminate?

REDUCE EACH PROGRAM

Admiral HOLLOWAY. I believe that I would take a little bit out of each of the accounts, Mr. Chairman. The reason is this. We have a balanced program now which is the product of very careful judgments. You must remember that we have two obligations. In the procurement account we are building a military force for future generations, but we still have the responsibility to be able to fight and win today. The O. & M. accounts relate to today's capability, the procurement accounts relate to tomorrow's and I cannot see drawing down either of these responsibilities in favor of the other. So I don't see any soft programs in the Navy's budget today. I believe that if we took a cut it would be a little out of this program and a little out of that. And maybe I would have to say, perhaps we have hit rock bottom in the O. & M. accounts.

For the security considerations of this moment, we are getting to the point where there is not a great deal more that can be taken out of our operating funds and still be able to say that we are providing the defense that we think the country needs today.

USE OF BUDGET INCREASE

Senator HOLLINGS. Suppose you had the opposite and you wanted to increase your capability some 5 to 10 percent, or given 5 to 10 percent more money, how would you use it?

VARIED USES

Admiral HOLLOWAY. I believe up to 5 percent I would tend to restore funds across several accounts and then above 5 percent I would add to the O. & M. accounts where I would have those funded to the point beyond which I couldn't profitably use those moneys. I would then take the balance of the increase in procurement accounts.

Senator HOLLINGS. Procuring of what?

Admiral HOLLOWAY. Both ships and aircraft.

EFFECT OF DELAYING PROCUREMENT PROGRAMS

Senator HOLLINGS. One thing that has concerned me is delaying and stretching out of the procurement programs by Congress. Usually, these deferrals are portrayed as savings, but I wonder if that is true. Can you tell us what effect that delay has upon your budget?

UNIT COST INCREASES

Admiral HOLLOWAY. Yes, sir. It increases the unit price of an item. In other words, if you stretch out the buy of F-14's, it increases the unit cost of the F-14. Now over a 5-year period it will still probably reduce the amount of money you invest in those F-14's but if you intend to buy 100 of them and you stretch out the buy, those 100 F-14's are going to cost you more before you are through than if you bought them in a shorter period of time. So I think we have to understand that, yes, you are saving money in one sense in that period of time you are spending less, but per unit of acquisition, you are spending more. And it depends on which is important to the Budget Committee.

SPEED OF STRIKE CRUISER

Senator HOLLINGS. The matter of the strike cruiser is, of course, of momentary importance. We will be having the military procurement bill back before both bodies of the Congress and there is the question again of the nuclear strike cruiser being considerably slower at top speed than the Soviet cruiser. What about that, Admiral Holloway?

SIMPLY A CONCEPT

Admiral HOLLOWAY. I believe that that thought comes from a set of characteristics which floated out of my staff which were only working papers which perhaps showed a strike cruiser design with a top speed of 28 knots. I have to point out that at this time the strike cruiser is simply a concept. A strike cruiser is defined as a major surface combatant which will have the Aegis weapons systems, Harpoon, the ship launched cruise tactical missile accommodations for two helicopters or VTOL, will be nuclear power and the latest in ASW equipment, and possibly a 8-inch gun. The speed of the ship, the size of the ship, the silhouette, the configuration has not been defined, and we will not define it until we make a number of tradeoffs that will determine for us the best ship for the dollar invested. We have strike cruiser designs with speeds from 28 knots up to 32 knots, depending

on the type of propulsion plant we put in it and the hull lines and the displacement.

PROTECT SEA LANES IN A NUCLEAR WAR

Senator HOLLINGS. Finally, in a nuclear war is it possible to protect the sea lanes?

SEA LANE PROTECTION BECOMES MEANINGLESS

Admiral HOLLOWAY. No, sir, I don't believe it is, Mr. Chairman. My personal philosophy is that in a nuclear war that protection of the sea lanes becomes meaningless because I think the vast destruction that would be visited on both sides would mean there wouldn't be a great deal to import for the survivors.

It has been my contention when people say is a carrier vulnerable to nuclear weapons, I agree that it is. It is probably not as vulnerable to nuclear weapons as a land base because it is harder to target. But when I say not as vulnerable I don't mean that it would necessarily survive a nuclear war, I mean ships at sea will probably survive longer, as a matter of hours or days in a nuclear exchange than land base forces and, therefore, they have a certain utility in the conflict. But as far as anything surviving at sea in a nuclear war, I am not very sanguine about the prospects, but I don't think it is particularly meaningful because what if a ship does survive if we have lost most of the country.

CONVENTIONAL WAR AT SEA WITH SOVIETS

Senator HOLLINGS. Does the Navy assume then a conventional war at sea with the Soviets without going nuclear?

STRONG CAPABLE NAVY USED AS DETERRENT

Admiral HOLLOWAY. We think the main reason for a strong Navy capable of handling the Soviet Navy is as a deterrent. I think we all have to agree that there are very few wars that have ever been started by a country that knew it was going to lose. It was generally a miscalculation. In fact, I think these miscalculations probably stemmed from the fact that one nation didn't think the other would respond. By having a strong Navy capable of fighting and winning in a conventional sense it would appear to me that this would make our adversaries realize that they would have to go to nuclear war to win and this would deter them from taking the first step even in a conventional war.

The Navy is not unique in this respect. I think all of our general purpose forces are fielded on the premise that we may very well have to fight a conventional war with the Soviet Union. That certainly is the initial premise of our NATO war plans.

CONVENTIONAL LENGTH BEFORE GOING NUCLEAR

Senator HOLLINGS. How long would we persist at the conventional level at sea before we would go nuclear?

OUR CONVENTIONAL FORCES CAN PREVAIL

Admiral HOLLOWAY. Yes, sir. Of course, it is very difficult to consider the conditions under which a war would be fought, but if the escalation were to nuclear war, in my view it would be done not by us but by the other side, because our naval weapons technology, I think, is the best in the world, and it would be to our advantage not to use the bludgeon type of weapon which the nuclear bomb represents. But I believe we can prevail with conventional forces and we would want to maintain a conventional war for many reasons, the principal one of which in that escalation to nuclear war is almost unthinkable because of the results. A second reason is if we had a war at sea and it was confined to navies I think the use of nuclear weapons would be considered as an equalizer on the part of the Soviets.

DEVELOPMENT IN MARIANAS

Senator HOLLINGS. There is presently under consideration a proposal granting commonwealth status to the Marianas. Does the Navy have any plans for support facilities or any development in the Marianas?

Admiral HOLLOWAY. Not that I am familiar with, Mr. Chairman. May I consult with my colleagues?

Admiral WHITTLE. No expansion, no, sir.

Senator HOLLINGS. I think it has been very helpful to me at least, and I am sure to the Committee. Is there anything you wish to add? We will leave the record open.

Admiral HOLLOWAY. No, Mr. Chairman. It has been our great pleasure to be here and have this opportunity to give you and your Committee our views.

Senator HOLLINGS. Thank you very much.

The committee will be adjourned.

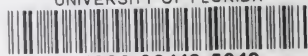
[Whereupon, at 11:50 a.m., the committee was adjourned, subject to the call of the Chair.]

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